

## ABSTRACT

[illegible]

**G.O. Rt.No. 315.**

**Dated: 04/03/2009**

**Read the following:-**

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In the G.Os 1<sup>st</sup> to 3<sup>rd</sup> read above, orders were issued designating the Andhra Pradesh State Co-operative Marketing Federation Limited (APMARKFED) Hyderabad, as the nodal agency for procurement and preposition of fertilizers for the Agricultural season of 2008-09, to raise loans to an extent of Rs. 850.00 Crores and also agreeing to bear the interest on the above loans and that the payment will be made on quarterly basis upto the end of Rabi 2008-09.

2. In the reference 4<sup>th</sup> read above, the MD, APMARKFED has stated that, as per the directions of Government, MARKFED has been purchasing and storing huge quantities of fertilizers to release the stocks on exigency during the Rabi 2008-09 to meet the farmers` demand. He has further stated that some of these stocks may be left un-sold with MARKFED at the end of Rabi 2008-09 and needs to be carried up to Kharif 2009 which involves inventory carrying cost like storage, insurance, interest etc and requested for reimbursement of Rs. 13.47 crores for the said purpose. The Commissioner & Director of Agriculture, A.P., Hyderabad in the reference 5<sup>th</sup> read above has explained the reasons for storage of about 1.25 lakh Metric Tons of fertilizers by APMARKFED and the necessity of maintaining the buffer stocks and requested to accord permission to APMARKFED to carry forward buffer stocks of 1.25 lakh Metric Tons of fertilizers to Kharif 2009 season and requested to reimburse the interest and carrying costs like storage, handling and transportation in the interest of farming community.

3. The Group of Ministers in its meeting held on 9/2/09 has recommended to release the required funds to AP MARKFED from AMC/CMF funds on reimbursement basis.

4. After careful examination of the matter, Government decided to reimburse an amount of Rs. 13.47 crores towards carrying cost, including storage, handling, transportation charges and interest on loan and any unforeseen losses on 1.25 lakh metric tons of fertilizers proposed to be carried to next Kharif season from AMC/CMF funds.

5. The Managing Director, A.P.MARKFED shall submit detailed bills for reimbursement of actual amount after incurring the expenditure.

6. The Agriculture & Cooperation (A.M.II) Department is requested to issue necessary instructions to the Commissioner of Marketing in the matter.

7. This order issues with the concurrence of Finance Department, vide their U.O. No. 1259/54/A2/EAC/09, Dated: 25/2/2009.  
(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RACHEL CHATTERJEE  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Agriculture & Marketing ( AM.II) Department.  
The VC&MD, A.P. MARKFED, Hyderabad.  
The Commissioner of Marketing, Hyderabad.  
The Commissioner & Director of Agriculture, A.P., Hyderabad  
Copy to:  
Finance (EAC) Department.  
SF/SC/

//FORWARDED::BY ORDER//

SECTION OFFICER